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Message Text

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C O N F I D E N T I A L SECTION 1 OF 8 TEHRAN 00620

DEPARTMENT ALSO PASS DOE

E.O. 11652: GDS
TAGS: TECH, ENRG, MNUC, IR
SUBJ: NUCLEAR COOPERATION AGREEMENT

REF: TEHRAN 0259

1. AFTERNOON OF JANUARY 17 AEOI MANZOUR GAVE US REDRAFT OF PROPOSED NUCLEAR COOPERATION AGREEMENT AND ACCOMPANYING NOTE. HE SAID THAT DOCUMENTS WERE "UNOFFICIAL" AND THAT AEOI MAY HAVE SOME FURTHER CHANGES TO SUGGEST WITH RESPECT TO ARTICLE SEVEN (PHYSICAL SECURITY) AND ARTICLE NINE (SAFE GUARDS). THESE CHANGES WILL BE FORTHCOMING BY NEXT TUESDAY AT THE LATEST.

2. MANZOUR SAID THAT AEOI HAD MADE SERIOUS EFFORT TO PRESSERVE ESSENCE OF PROPOSALS WE HAD MADE LAST DECEMBER AND TO CONFORM TO POLICY DECISIONS REACHED BETWEEN PRESIDENT CARTER AND THE SHAH. AS WE WILL NOTE, HOWEVER, THERE ARE TEXTUAL CHANGES AND REFORMULATIONS OF CERTAIN POINTS. HE HOPED THAT WE WOULD FIND THEM ACCEPTABLE AND THAT THE AEOI REDRAFT COULD STAND AS IS. COMMENT: OUR COMPARISON OF TWO DRAFTS REVEAL A NUMBER OF TEXTUAL
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CHANGES, SOME OMISSIONS AND REFORMULATIONS. MANY APPEAR TO BE MINOR AND COSMETIC, OTHERS--PARTICULARLY WITH RESPECT TO MOST FAVORED NATION QUESTION AND ACCESS TO PLUTONIUM DERIVED FROM REPROCESSED SPENT FUEL--SEEM TO BE MORE SUB-STANTIVE. WE ARE UNABLE TO JUDGE FROM HERE, HOWEVER, WHETHER AEOI'S REDRAFT REMAINS WITHIN CONSTRAINTS OF PENDING U.S. NUCLEAR LEGISLATION. END COMMENT.

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3. MANZOUR SAID THAT IF ANOTHER MEETING WAS JUDGED
NECESSARY HE WOULD BE AVAILABLE TO VISIT WASHINGTON AFTER
FEBRUARY 7. SHOULD WE WISH TO MEET SOONER HE WOULD BE GLAD
TO RECEIVE US IN TEHRAN. WHILE HE HOPED THAT ANOTHER MEETING
WOULD NOT BE NECESSARY, HE DID NOT THINK THAT, IN ANY EVENT,
IT WOULD REQUIRE A FULL DELEGATION AND SUGGESTED THAT PERHAPS
JUST HE AND DEPUTY SECRETARY NOSENZO COULD WORK OUT ANY
REMAINING DIFFERENCES.

4. MANZOUR ALSO ASKED THAT WE KEEP HIM POSTED CONCERNING
THE STATUS OF OUR NUCLEAR LEGISLATION AND ANY PROPOSED
CHANGES THAT MAY BE INCORPORATED INTO THE CURRENT DRAFT
AND BECOME PART OF THE FINAL BILL. HE WOULD ALSO
APPRECIATE OUR CURRENT ESTIMATE OF WHEN LEGISLATION IS
LIKE TO PASS.

5. THERE FOLLOWS THE COMPLETE TEXT OF THE AEOI'S REDRAFT
OF THE PROPOSED AGREEMENT AND ACCOMPANYING NOTE. ANNEX
A AND ATTACHED TABLE TO THE AGREEMENT ARE NOT INCLUDED
AS THEY REMAIN UNCHANGED FROM OUR PROPOSAL.

BEGIN TEXT: CONFIDENTIAL. TITLE: AGREEMENT FOR
COOPERATION BETWEEN THE UNITED STATES OF AMERICAN AND
IRAN CONCERNING PEACEFUL USES OF NUCLEAR ENERGY.
PARAGRAPH. THE GOVERNMENT OF THE UNITED STATES AND
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THE GOVERNMENT OF IRAN, CONSIDERING THEIR CLOSE
COOPERATION IN THE DEVELOPMENT, USE AND CONTROL OF
PEACEFUL USES OF NUCLEAR ENERGY PURSUANT TO THE AGREE-
MENT FOR COOPERATION BETWEEN THE UNITED STATES AND IRAN
CONCERNING THE CIVIL USES OF ATOMIC ENERGY, SIGNED
MARCH 5, 1957, AS AMENDED; REAFFIRMING THEIR COMMITMENT
TO ENSURING THAT THE INTERNATIONAL DEVELOPMENT AND USE OF NUCLEAR
ENERGY FOR PEACEFUL USES ARE CARRIED OUT
UNDER ARRANGEMENTS WHICH WILL, TO THE MAXIMUM EXTENT,
FURTHER THE OBJECTIVES OF THE TREATY ON NON-PROLIFERA-
TION OF NUCLEAR WEAPONS (NPT); DESIRING TO CONTINUE
AND EXPAND THEIR COOPERATION IN THIS FIELD; AFFIRMING
THEIR SUPPORT OF THE OBJECTIVES OF THE TATUTE OF THE
INTERNATIONAL ATOMIC ENERGY AGENCY AND THEIR DESIRE
TO PROMOTE UNIVERSAL ADHERENCE TO THE NPT; AND MINDFUL
THAT PEACEFUL NUCLEAR ACTIVITIES MUST BE UNDERTAKEN
WITH A VIEW TO PROTECTING THE INTERNATIONAL ENVIRON-
MENT FROM RAIOACTIVE, CHEMICAL AND THERMAL CONTAMINA-
TION; HAVE AGREED AS FOLLOWS:
ARTICLE 1 (SCOPE OF COOPERATION. 1. THE UNITED
STATES AND IRANSHALL COOPERATE IN THE USE OF NUCLEAR
ENERGY FOR PEACEFUL PURPOSES IN ACCORDANCE WITH THE

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PROVISIONS OF THIS AGREEMENT AND THEIR APPLICABLE
TREATIES, NATIONAL LAWS, REGULATIONS AND LICENSE
REQUIREMENTS. 2. TRANSFERS OF INFORMATION, MATERIAL
AND EQUIPMENT UNDER THIS AGREEMENT MAY BE UNDERTAKEN
DIRECTLY BETWEEN THE PARTIES OR THROUGH AUTHORIZED
PERSONS UNDER THEIR JURISDICTION. SUCH TRANSFERS

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C O N F I D E N T I A L SECTION 2 OF 8 TEHRAN 00620

DEPARTMENT ALSO PASS DOE

SHALL BE SUBJECT TO THIS AGREEMENT AND TO SUCH ADDITIONAL
TERMS AND CONDITIONS AS MAY BE AGREED BY THE PARTIES.

3. COOPERATION UNDER THIS AGREEMENT SHALL BE PREMISED
UPON THE APPLICATION OF INTERNATIONAL ATOMIC ENERGY
AGENCY (IAEA) SAFEGUARDS WITH RESPECT TO ALL NUCLEAR
ACTIVITIES WITHIN THE TERRITORY OF IRAN, UNDER ITS
JURISDICTION OR CARRIED OUT UNDER ITS CONTROL ANYWHERE.
IMPLEMENTATION OF A SAFEGUARDS AGREEMENT PURSUANT TO
ARTICLE III(4) OF THE NPT SHALL BE CONSIDERED TO FULFILL
THE CONDITION STATED IN THE FOREGOING SENTENCE.

ARTICLE 2 (DEFINITIONS). FOR THE PURPOSES OF
THIS AGREEMENT: (A) "BYPRODUCT MATERIAL" MEANS ANY
RADIOACTIVE MATERIAL (EXCEPT SPECIAL NUCLEAR MATERIAL)
YIELDED IN OR MADE RADIOACTIVE BY EXPOSURE TO THE
RADIATION INCIDENT TO THE PROCESS OF PRODUCING OR
UTILIZING SPECIAL NUCLEAR MATERIAL. (B) "EQUIPMENT"
MEANS ANY PRODUCTION OR UTILIZATION FACILITY (INCLUDING
URANIUM ENRIGHMENT AND NUCLEAR FUEL REPROCESING
FACILITIES), OR ANY FACILITY FOR THE PRODUCTION OF HEAVY

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WATER OR THE FABRICATION OF NUCLEAR FUEL CONTAINING
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PLUTONIUM, ANY COMPONENT THEREOF SO DESIGNATED BY EITHER
PARTY PRIOR TO AGREEING TO ITS TRANSFER BY THAT PARTY, OR
ANY OTHER ITEM SO DESIGNATED BY AGREEMENT OF THE PARTIES.
(C) "HIGH ENRIGHED URANIUM" MEANS URANIUM ENRICHED TO
TWENTY PERCENT OR GREATER IN THE ISOTOPE 235. (D) "LOW
ENRICHED URANIUM" MEANS URANIUM ENRICHED TO LESS THAN
TWENTY PERCENT IN THE ISOTOPE 235. (E) "MATERIAL"
MEANS SOURCE MATERIAL, SPECIAL NUCLEAR MATERIAL OR
BYPRODUCT MATERIAL, RADIOISOTOPES OTHER THAN BYPRODUCT
MATERIAL, MODERATOR MATERIAL, OR ANY OTHER SUCH SUBSTANCE
SO DESIGNATED BY AGREEMENT OF THE PARTIES. (F) "MAJOR
CRITICAL COMPONENT" MEANS ANY COMPONENT OR GROUP OF
COMPONENT PARTS ESSENTIAL TO THE OPRATION OF A SENSITIVE
NUCLEAR FACILITY. (G) "MODERATOR MATERIAL" MEANS ANY
HEAVY WATER, OR GRAPHITE OR BERYLLIUM OF A PURITY SUITABLE
FOR USE IN A REACTOR TO SLOW DOWN HIGH VELOCITY NEUTRONS AND
INCREASE THE LIKELIHOOD OF FURTHER FISSION, OR ANY OTHER
SUCH MATEIAL SO DESIGNATED BY AGREEMENT OF THE PARTIES.
("NUCLEAR WEAPON" MEANS ANY DEVICE UTILIZING NUCLEAR
ENERGY, EXCLUSIVE OF THE MEANS FOR TRANSPORTING OR
PROPELLING THE DEVICE (WHERE SUCH MEANS IS A SEPARABLE
AND DIVISIBLE PART OF THE DEVICE), THE PRINCIPAL PURPOSE
OF WHICH IS FOR USE AS, OR FOR DEVELOPMENT OF, A WEAPON,
A WEAPON PROTOTYPE, OR A WEAPON TEST DEVICE. (I) "PARTIES"
MEANS THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND
THE GOVERNMENT OF IRAN. (J) "PERSON" MEANS ANY INDIVIDUAL
OR ANY ENTITY SUBJECT TO THE JURISDICTION OF EITHER PARTY
BUT DOES NOT INCLUDE THE PARTIES TO THIS AGREEMENT. (K)
"PEACEFUL PURPOSES" INCLUDE THE USE OF INFORMATION, MATERIAL,
AND EQUIPMENT IN SUCH FIELDS AS RESEARCH, POWER GENERATION,
MEDICINE, AGRICULTURE AND INDUSTRY BUT DO NOT INCLUDE
USE IN, RESEARCH ON OR DEVELOPMENT OF ANY NUCLEAR WEAPON
OR OTHER NUCLEAR EXPLOSIVE DEVICE. (L) "PREVIOUS
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AGREEMENT" MEANS THE AGREEMENT FOR COOPERATION BETWEEN
THE UNITED STATES AND IRAN CONCERNING THE CIVIL USES
OF ATOMIC ENERGY, SIGNED MARCH 5, 1957, AS AMENDED.
(M) "PRODUCTION FACILITY" MEANS ANY NUCLEAR REACOTR
DESIGNED OR USED PRIMARILY FOR THE FORMATION OF PLUTONIUM,
OR URANIUM-233, ANY FACILITY DESIGNED OR USED FOR THE
SEPARATION OF THE ISOTOPES OF URANIUM OR PLUTONIUM,
ANY FACILITY DESIGNED OR USED FOR THE PROCESSING OF

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IRRADIATED MATERIALS CONTAINING SPECIAL NUCLEAR MATERIAL,
OR ANY COMPONENT PART OR GROUP OF COMPONENT PARTS WHICH
PARTIES AGREE TO BE ESSENTIAL TO THE OPERATION OF ANY
SUCH FACILITY. (N) "REACTOR" MEANS ANY APPARATUS,
OTHER THAN A NUCLEAR WEAPON OR OTHER NUCLEAR EXPLOSIVE
DEVICE, IN WHICH A SELF-SUSTAINING FISSION CHAIN REACTION
IS MANTAINED BY UTILIZING URANIUM, PLUTONIUM OR THORIUM,
OR ANY COMBINATION THEREOF. (O) "RESTRICTED DATA"
MEANS SUCH DATA, NOT IN THE PUBLIC DOMAIN, CONCERNING
(I) DESIGN, MANUFACTURE, OR UTILIZATION OF NUCLEAR
WEAPONS, (II) THE PRODUCTION OF SPECIAL NUCLEAR MATERIAL,
OR (III) THE USE OF SPECIAL NUCLEAR MATERIAL IN THE
PRODUCTION OF ENERGY, WHICH MAY BE DESIGNATED FOR A
GIVEN TIME AS RESTRICTED DATA BY EITHER PARTY. (P)
"SENSITIVE NUCLEAR FACILITY" MEANS ANY FACILITY DESIGNED
OR USED PRIMARILY FOR URANIUM ENRICHMENT, REPROCESSING
OF NUCLEAR FUEL, HEAVY WATER PRODUCTION, OR FABRICATION
OF NUCLEAR FUEL CONTAINING PLUTONIUM. (Q) "SENSITIVE
NUCLEAR TECHNOLOGY" MEANS ANY INFORMATION (INCLUDING
INFORMATION INCORPORATED IN EQUIPMENT) WHICH IS NOT IN
THE PUBLIC DOMAIN AND WHICH IS IMPORTANT TO THE DESIGN,

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CONSTURCTION, FABRICATION, OPERATION OR MAINTENCE
OF ANY SENSITIVE NUCLEAR FACILITY, OR OTHER SUCH
INFORMATION WHICH EITHER PARTY MAY SO DESIGNATE PRIOR
TO AGREEING TO ITS TRANSFER BY THE PARTY. (R) "SOURCE
MATERIAL" MEANS (I) URANIUM, THORIUM, OR ANY OTHER SUCH
MATERIAL SO DESIGNATED BY AGREEMENT OF THE PARTIES,

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OR (II) ORES CONTAINING ONE OR MORE OF THE FOREGOING MATERISLS, IN SUCH CONCENTRATION AS PARTIES MAY AGREE FROM TIME TO TIME. (S) "SPECIAL NUCLEAR MATERIAL" MEANS (I) PLUTONIUM, URANIUM-233, OR URANIUM ENRICHED IN THE ISOTOPE 235, OR (II) ANY OTHER SUCH MATERIAL SO DESIGNATED BY AGREEMENT OF THE PARTIES. (T) "UTILIZATION FACILITY" MEANS ANY REACTOR OTHER THAN ONE DESIGNED OR USED PRIMARILY FOR THE FORMATION OF PLUTONIU OR URANIUM-233.

ARTICLE 3 (TRANSFER OF INFORMATION). 1. THE UNITED STATES AND IRAN MAY TRANSFER OT EACH OTHER INFORMATION RESPECTING THE USE OF NUCLEAR ENERGY FOR PEACEFUL PURPOSES, INCLUDING INFORMATION RELATING TO SUCH FIELDS AS: (A) DEVELOPMENT, DESIGN, CONSTRUC-TION, OPERATION, MAINTENANCE AND USE OF REACTORS AND REACTOR EXPERIMENTS; (B) THE USE OF MATERIAL IN PHYSICAL AND CONFIDENTIAL

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BIOLOGICAL RESEARCH, MEDICINE, AGRICULTURE, AND INDUSTRY; (C) FUEL CYDLE STUDIES OF WAYS TO MEET FUTURE WORLD-WIDE CIVIL NUCLEAR NEEDS, INCLUDING MULTILATERAL APPROACHES TO GURANTEEING NUCLEAR FUEL SUPPLY AND APPROPRIATE TECHNIQUES FOR MANAGEMENT OF NUCLEAR WASTES; (D) SAFE-GUARDS AND PHYSICAL SECURITY OF MATERIALS AND EQUIPMENT; (E) HEALTH, SAFETY AND ENVIRONMENTAL CONSIDERATIONS RELATED TO THE FOREGOING; AND (F) ASSESSING THE ROLE NUCLEAR POWER MANY PLAY IN NATIONAL ENERGY PLANS. 2. THIS AGREEMENT DOES NOT REQUIRE THE TRANSFER OF ANY INFORMATION WHICH THE PARTIES ARE NOT PERMITTED TO COMMUNICATE PURSUANT TO APPLICABLE LAWS, REGULATIONS OR LICENSE REQUIREMENTS. 3. RESTRICTED DATA SHALL NOT BE COMMUNI-CATED UNDER THIS AGREEMENT, BUT MAY BE COMMUNICATED UNDER AN AMENDMENT TO THIS AGREEMENT OR UNDER A SUBSEQUENT SEPARATE AGREEMENT. 4. SENSITIVE NUCLEAR TECHNOLOGY SHALL NOT BE TRANSFERRED UNDER THIS AGREEMENT, BUT MAY BE TRANSFERRED UNDER AN AMENDEMRNT TO THIS AGREEMENT OR UNDER A SUBSEQUENT SEPARATE AGREEMENT.

ARTICLE 4 (TRANSFER OF EQUIPMENT AND MATERIAL)

1. EQUIPMENT AND MATERIAL MAY BE TRANSFERRED PURSUANT TO THIS AGREEMENT FOR SPECIFIED APPLICANTS. HOWEVER, SENSITIVE NUCLEAR FACILITIES AND MAJOR CRITICAL COM-PONENTS SHALL NOT BE TRANSFERRED UNDER THIS AGREEMENT, BYT MAY BE TRANSFERRED UNDER AN AMENT TO THIS AGREEMENT OR UNDER A SUBSEQUENT SEPARATE AGREEMENT. 2. LOW ENRICHED URANIUM MAY BE TRANSFERRED FOR USE AS FUEL IN REACTORS AND IN REACTOR EXPERIMENTS OR FOR CONVERSION OR FABRICATION. THE SEPARATIVE WORK REQUIRED TO PRODUCE THE LOW ENRICHED URANIUM TRANSFERRED

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BY THE UNITED STATES FOR USE AS FUEL IN POWER REACTORS
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IN IRAN SHALL NOT EXCEED THAT NECESSARY TO SUPPORT THE FUEL CYCLES OF REACTORS HAVING A TOTAL INSTALLED CAPACITY OF TEN THOUSAND (10,000) MEGAWATTS ELECTRIC. IN THE EVENT THAT IRAN ENTERS INTO ANY AGREEMENT WITH THE UNITED STATES ENTITLING IT TO A PORTION OF THE SEPARATIVE WORK OUTPUT OF ANY URANIUM ENRICHMENT FACILITY IN THE UNITED STATES IN WHICH IRAN HAS INVESTED, THE QUANTITY OF SEPARATIVE WORK REQUIRED TO PRODUCE THE URANIUM ENRICHED IN THE ISOTOPE 234 WHICH MAY BE TRANSFERRED UNDER THIS AGREEMENT WILL NOT BE LESS THAN THAT AMOUNT OF SEPARATIVE WORK TO WHICH IRAN IS ENTITLED PURSUANT TO SUCH AGREEMENT OR AGREEMENTS. 3. SPECIAL NUCLEAR MATERIAL OTHER THAN LOW ENRICHED URANIUM AND MATERIAL CONTEMPLATED UNDER PARAGRAPH 6 MAY, IF THE PARTIES AGREE, BE TRANS-FERRED FOR SPECIFIED APPICATIONS WHERE TECHNICALLY AND ECONOMICALLY JUSTIFIED OR WHERE JUSTIFIED FOR THE DEVELOPMENT AND DEMONSTRATION OF RACTOR FUEL CYCLES TO MEET ENERGY SECURITY AND NON-PROLIFERATION OBJECTIVIES. 4. THE QUANTITY OF SPECIAL NUCLEAR MATERIAL TRANSFERRED TO IRAN UNDER THIS AGREEMENT, SHALL NOT AT ANY TIME BE IN EXCESS OF THE QUANTITY THE PARTIES AGREE IS NECESSARY FOR THE FOLLOWING PURPOSES: THE LOADING OF RACTORS OR USE IN REACTOR EXPERIMENTS, THE EFFICIENT AND CONTINIOUS OPERATION OF SUCH REACTORS OR CONDUCT OF SUCH REACTOR EXPERIMENTS, AND THE ACCOMPLISHMENT OF OTHER PURPOSES AS MAY BE AGREED BY THE PARTIES. 5. ANY HIGH ENRICHED URANIUM TRANSFERRED PURSUANT TO THIS AGREE-MENT FOR USE IN RESEARCH APPLICATIONS, INCLUDING RESEARCH RAACTORS AND REACTOR EXPERIMENTS, IN IRAN SHALL NOT CONTAIN AN AMOUNT OF THE ISOTOPE 235 IN

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DEPARTMENT ALSO PASS DOE

EXCESS OF THAT WICH IS NECESSARY FOR THE PURPOSES DESCRIBED IN PARAGRAPH 4. THIS AMOUNT SHALL BE THE GROSS QUANTITY OF SUCH CONTAINED ISOTOPE 235 LESS THE QUANTITY OF SUCH CONTAINED ISOTOPE 235 IN URANIUM WHICH HAS BEEN RETRANSFERRED BEYOND THE JURISDICTION OF IRAN. THE UNITED STATES SHALL HAVE THE RIGHT TO REQUIRE THE RETURN OF ANY HIGH ENRICHED URANIUM CAUSING THE EXCESS REFERRED TO IN THIS PARAGRAPH. IN THE EVENT THIS RIGHT IS EXERCISED, THE PARTIES SHALL MAKE APPROPRIATE ARRANGEMENTS. 6. THE UNITED STATES MAY TRANSFER SMALL QUANTITIES OF MATERIAL, INCLUDING SPEICIAL NUCLEAR MATERIAL, FOR USE AS SAMPLES, STANDARDS, DETECTORS, TARGETS AND SUCH OTHER PURPOSES AS THE PARTIES MAY AGREE. TRANSFERS PURSUANT TO THIS PARAGRAPH SHALL NOT BE SUBJECT TO THE QUANTITY LIMI-TATIONS IN PARAGRAPHS 2 AND 5. 7. THE UNITED STATES SHALL ENDEAVOR TO TAKE SUCH ACTIONS AS MAY BE NECESSARY TO ENSURE A RELIABLE SUPPLY OF NUCLEAR FUEL TO IRAN, INCLUDING THE EXPORT OF NUCLEAR MATERIAL ON A TIMELY BASIS AND THE AVAILABILITY OF THE CAPACITY TO CARRY OUT THIS UNDERTAKING DURING
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THE PERIOD OF THIS AGREEMENT. THE UNITED STATES SHALL ASSURE THAT IRAN DERIVES THE FULL BENEFIT PURSUANT TO THE TERMS OF ANY ADDITIONAL BILATERAL OR MULTILATERAL FUEL ASSURANCES THAT MAY EVOLVE DURING THE PERIOD OF THIS AGREEMENT AND MAY BE AVAILABLE TO ANY NATION WITH WHICH THE UNITED STATES COOPERATES.

ARTICLE 5 (STORAGE AND RETRANSFERS) 1. MATERIAL TRANSFERRED PURSUANT TO THIS AGREEMENT AND MATERIAL USED IN OR PRODUCED THROUGH THE USE OF ANY MATERIAL OR EQUIPMENT TRANSFERRED PURSUANT TO THIS AGREEMENT MAY BE STORED BY EITHER PARTY, EXCEPT THAT NO SUCH PLUTONIUM OR URANIUM 233 (EXCEPT AS CONTAINED IN IRRADIATED FUEL ELEMENTS), OR HIGH ENRICHED URANIUM SHALL BE STORED IN ANY FACILITY THAT HAS NOT BEEN

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AGREED TO IN ADVANCE BY THE PARTIES. 2. MATERIAL OR EQUIPMENT TRANSFERRED PURSUANT TO THIS AGREEMENT AND ANY SPECIAL NUCLEAR MATERIAL PRODUCED THROUGH THE USE OF ANY SUCH MATERIAL OR EQUIPMENT MAY BE TRANSFERRED BY THE RECIPIENT PARTY, EXCEPT THAT SUCH PARTY GUARANTEES THAT ANY SUCH MATERIAL OR EQUIPMENT WIL NOT BE TRANSFERRED TO UNAUTHORIZED PERSONS OR, UNLESS THE PARTIES AGREE, BEYOND ITS TERRITORIAL JURISDICTION.

ARTICLE 6 (REPROCESSING AND ENRICHMENT) 1. EACH PARTY GUARANTEES THAT MATERIAL TRANSFERRED PURSUANT TO THIS AGREEMENT AND MATIERIAL USED IN OR PRODUCED THROUGH THE USE OF ANY MATERIAL OR EQUIPMENT TRANS-FERRED PURSUANT TO THIS AGREEMENT WILL NOT BE REPROCESSED, OR (IN THE CASE OF PLUTONIUM, URANIUM 233, HIGH ENRICHED URANIUM, OR IN THE CASE OF OTHER MATERIALS WHICH HAVE BEEN IRRADIATED) OTHERWISE CONFIDENTIAL

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ALTERED IN FORM OR CONTENT, UNLESS THE PARTIES AGREE.

2. URANIUM TRANSFERRED TO IRAN PURSUANT TO THIS AGREEMENT AND URANIUM USEE IN ANY MATERIAL OR EQUIP-MENT SO TRANSFERRED WILL BE ENRICHED UP TO TWENTY PERCENT IN THE ISOTOPE 235 AFTER TRANSFER ONLY IF THE PARTIES AGREE. SUCH URANIUM WILL NOT BE ENRICHED AFTER TRANSFER TO TWENTY PERCENT OR GREATER IN THE ISOTOPE 235 UNLESS THE PARTIES AGREE.

ARTICLE 7 (PHYSICAL SECURITY) 1. ADEQUATE PHYSICAL SECURITY SHALL BE MAINTAINED WITH RESPECT TO ANY MATERIAL AND EQUIPMENT TRANSFERRED PURSUANT TO THIS AGREEMENT AN WITH RESPECT TO ANY SPECIAL NUCLEAR MATERIAL USED IN OR PRODUCED THROUGH THE USE OF ANY MATERIAL OR EQUIPMENT TRANSFERRED PURSUANT TO THIS AGREEMENT. 2. THE PARTIES AGREE TO THE LEVELS FOR THE APPLICATION OF PHYSICAL SECURITY SET FORTH IN ANNEX A, WHICH LEVELS MAY BE MODIFIED BY MUTUAL CONSENT OF THE PARTIES. THE PARTIES SHALL MANTAIN ADEQUATE PHYSICAL SECURITY MEASURES IN ACCORDANCE WITH SUCH LEVELS. THESE MEASURES SHALL AS A MINIMUM PROVIDE PROTECTINN COMPARABLE TO THAT SET FORT IN DOCUMENT INFCIRC/225/REV. 1 OF THE IAEA ENTITLED "THE PHYSICAL PROTECTION OF NUCLEAR MATERIAL", AS IT MAY BE UPDATED. 3. THE ADEQUACY AND IMPLEMENTATION OF PHYSICAL SECURITY MEASURES MAINTAINED PURSUANT TO THIS ARTICLE SHALL BE REVIEWED BY THE PARTIES PERIODICALLY AND WHENEVER EITHER PARTY IS OF THE VIEW THAT REVISED MEASURES

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MAY BE REQUIRED TO MAINTAIN ADEQUATE PHYSICAL SECURITY. 4. EACH PARTY SHALL IDENTIFY THOSE AGENCIES OR AUTHORITIES HAVING RESPONSIBILITY FOR ENSURING THAT LEVELS OF PHYSICAL SECURITY ARE ADEQUATELY MET AND HAVING RESPONSIBILITY FOR

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DEPARTMENT ALSO PASS DOE

COORDINATING RESPONSE AND RECOVERY OPERATIONS IN THE EVENT OF UNAUTHORIZED USE OR HANDLING OF MATERIAL SUBJECT TO THIS ARTICLE. EACH PARTY SHALL ALSO DESIGNATE POINTS OF CONTACT WITHIN ITS NATIONAL AUTHORITIES TO COOPERATE ON MATTERS OF OUT-OF-COUNTRY TRANSPORATION AND OTHER MATTERS OF MUTUAL CONCERN.

ARTICLE 8 (NO EXPLOSIVE APPLICATION) NO MATERIAL OR EQUIPMENT TRANSFERRED PURSUANT TO THIS AGREEMENT AND NO MATERIAL USED IN OR PRODUCED THROUGH THE USE OF ANY SUCH MATERIAL OR EQUIPMENT SHALL BE USED FOR NUCLEAR WEAPONS OR ANY NUCLEAR EXPLOSIVE DEVICE, OR FOR RESEARCH ON OR DEVELOPMENT OF NUCLEAR WEAPONS OR NAY NUCLEAR EXPLOSIVE DEVISE, OR FOR RESEARCH ON OR DEVELOPMENT OF NUCLEAR WEAPONS OR ANY NUCLEAR EXPLOSIVE DEVICE.

ARTICLE 9 (SAFEGUARDS) 1. THE UNITED STATES SHALL HAVE THE RIGHT TO REVIEW THE DESIGN OF ANY (I) REACTOR, AND (II) OTHER EQUIPMENT, THE DESIGN OF WHICH IS RELEVANT TO THE EFFECTIVE APPLICATION
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OF SAFEGUARDS, WHICH ARE TO BE TRANSFERRED PURSUANT
TO THIS AGREEMENT TO IRAN, OR WHICH ARE TO USE,
FABRICATE, OR PROCESS ANY MATERIAL SO TRANSFERRED
OF ANY SPECIAL NUCLEAR MATERIAL USED IN OR PRODUCED
THROUGH THE USE OF SUCH MATERIAL OR EQUIPMENT.
2. THE UNITED STATES SHALL HAVE THE RIGHT TO
REQUIRE THE MAINTENANCE AND PRODUCTION OF RECORDS
AND TO REQUEST AND RECEIVE REPORTS FOR THE PURPOSE
OF ASSISTING IN ENSURING THE ACCOUNTABILITY FOR ANY
MATERIAL TRANSFERRED TO IRAN BY THE UNITED STATES
PURSUANT TO THIS AGREEMENT AND ANY SOURCE MATERIAL
OR SPECIAL NUCLEAR MATERIAL USED IN OR PRODUCED
THROUGH THE USE OF ANY MATERIAL OR EQUIPMENT SO
TRANSFERRED. 3. FOR PURPOSES OF ENSURING THERE IS
COMPLIANCE WITH THIS AGREEMENT, THE UNITED STATES
SHALL, AS NECESSARY TO ACCOUNT FOR THE MATERIAL
SUBJECT TO PARAGRAPH 2, HAVE THE RIGHT TO: (A)
DESIGNATE PERSONNEL ACCEPTABLE TO IRAN WHO, ACCOMPAINED,
IF EITHER PARTY SO REQUESTS, BY PERSONNEL DESIGNATED
BY IRAN, SHALL HAVE ACCESS IN IRAN TO ALL RELEVANT
PLACES AND DATA, (B) INSPECT ANY RELEVANT EQUIPMENT,
(C) INSTALL ANY RELEVANT DEVICES, AND (D) MAKE
SUCH RELEVANT INDEPENDENT NEASUREMENTS AS MAY BE
DEEMED NECESSARY. 4. MATERIAL OR EQUIPMENT
REQUIRED TO BE SAFEGUARDED UNDER THIS AGREEMENT
SHALL BE SUBJECT TO SAFEGUARDS UNDER AN AGREEMENT
BETWEEN IRAN AND THE IAEA PURSUANT TO ARTICLE III
(R) OF NPT. THE RIGHTS OF THE UNITED STATES TO
APPLY SAFEGUARDS UNDER PARAGRAPHS 1, 2 AND 3 OF
THIS ARTICLE SHALL BE SUSPENDED IF THE UNITED STATES
AGREES THAT THE NEED TO EXERCISE SUCH RIGHTS IS
SATISFIED BY THE APPLICATION OF SUCH IAEA SAFEGUARDS
AGREEMENTS. 5. EACH PARTY SHALL ESTABLISH AND
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MAINTAIN A SYSTEM OF ACCOUNTING FOR AND CONTROL OF ALL
MATERIAL TRANSFERRED PURSUANT TO THIS AGREEMENT OR
ANY MATERIAL USED IN OR PRODUCED THROUGH THE USE OF
ANY MATERIAL OR EQUIPMENT SO TRANSFERRED, TO BE
BASED ON A STRUCTURE OF MATERIAL BALANCE AREAS AND
TO INCLUDE SUCH MEASURES AS: (A) A MEASUREMENT SYSTEM,
WHICH CONFORMS TO THE INTERNATIONAL STANDARDS OR
IS EQUIVALENT IN QUALITY OT SUCH STANDARDS, FOR
THE DETERMINATION OF THE QUANTITIES OF MATERIAL
RECEIVED, PRODUCED, SHIPPED, LOST OR OTHERWISE

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REMOVED FROM INVENTROY, AND THE QUANTITIES ON INVENTORY; (B) THE EVALUATION OF PRECISION AND ACCURACY OF MEASURMENTS AND THE ESTIMATION OF MEASUREMENT UNCERTAINTY; (C) PROCEDURES FOR IDENTIFYING, REVIEWING AND EVALUATING DIFFERENCES BETWEEN SHIPPER AND RECEIVER MEASUREMENTS; (D) PROCEDURES FOR TAKING A PHYSICAL INVENTORY; (E) PROCEDURES FOR THE EVALUATION OF ACCUMULATIONS OF UNMEASURED INVENTORY AND UNMEASURED LOSSES; (F) A SYSTEM OF RECORDS AND REPORTS SHOWING, FOR EACH MATERIAL BALANCE AREA, THE INVENTORY OF NUCLEAR MATERIAL AND THE CHANGES IN THAT INVENTORY INCLUDING RECEIPTS INTO AND TRANSFERS OUR OF THE MATERIAL BALANCE AREA; (G) PROVISIONS TO ENSURE THAT THE ACCOUNTING PROCEDURES AND ARRANGEMENTS ARE BEING OPERATED CORRECTLY; AND (H) OTHER SYSTEMS OF MEASURMENT CONTAINMENT AND SURVEILLANCE AS ARE NECESSARY TO FACILITATE THE APPLICATION OF SAFE-GUARDS. 6. UPON REQUEST OF THE UNITED STATES, IRAN SHALL REPORT OR PERMIT THE IAEA TO REPORT TO THE UNITED STATES ON THE STATUS OF ALL INVENTORIES OF ANY MATERIALS SUBJECT TO PARAGRAPH 2 OF THIS ARTICLE.

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FM AMEMBASSY TEHRAN
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ARTICLE 10 (MULTIPE SUPPLIER CONTROLS) IF AN AGREEMENT BETWEEN EITHER PARTY AND ANOTHER NATION OR GROUP OF NATIONS PROVIDES SUCH OTHER NATION OR GROUP OF NATIONS RIGHTS EQUIVALENT TO ANY OR ALL OF THOSE SET FORTH UNDER ARTICLES 5, 6, OR 7 WITH RESPECT TO MATERIAL OR EQUIPMENT SBJECT TO

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THIS AGREEMENT THE PARTIES MAY, UPON THE REQUEST OF EITHER OF THEM, AGREE THAT ANY SUCH RIGHTS WILL BE EXERCISED EXCLUSIVELY BY SUCH OTHER NATION OR GROUP OF NATIONS.ARTICLE 11 (CESSATION OF COOPERATION) 1. IN THE EVENT IRAN, AT ANY TIME FOLLOWING ENTRY INTO FORCE OF THIS AGREEMENT (A) DOES NOT COMPLY WITH THE PROVISIONS OF ARTICLES 5, 6, 7, 8 OR 9; (B) DETONATES A NUCLEAR EXPLOSIVE DEVICE; OR (C) TERMINATES OT MATERIALLY VIOLATES ITS IAEA SAFE GUARDS AGREEMENT; THE UNITED STATES SHALL HAVE THE RIGHT TO (I) CEASE FURTHER COOPERATION UNDER THIS AGREEMENT; (II) REQUIRE THE RETURN O ANY MATERIAL AND EQUIPMENT TRANSFERRED UNDER THIS AGREEMENT. 2. IN THE EVENT THE UNITED STATES EXERCISES ITS RIGHTS UNDER THIS ARTICLE TO REQUIRE THE RETURN OF ANY MATERIAL OR EQUIPMENT , THE UNITED
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STATES SHALL PAY THE COST OF SHIPMENT AND, AFTER RETURN TO THE UNITED STATES, SHALL REIMBURSE IRAN TP FAIR MAKET VALUE OF SUCH MATERIAL OR EQUIPMENT LESS THE REASONABLE COST OF SHIPMENT. IN THE EVENT THS RIGHT IS EXERCISED, THE PARTIES SHALL MAKE SUCH OTHER APPROPRIATE ARRANGEMENTS AS MAY BE REQUIRED.

ARTICLE 12 (PREVIOUS AGREEMENT TERMINATED). 1. THE "AGREEMENT FOR COOPERATION BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF IRAN CONCERNING CIVIL USES OF ATOMIC ENERGY" SIGNED ON MARCH 5, 19757, AS AMENDED, SHALL TERMINATE ON THE DATE THIS AGREEMENT ENTERS INTO FORCE. 2. COOPERATION INITIATED UNDER THE PREVIOUS AGREEMENT SHALL CONTINUE IN ACCORDANCE WITH THE PROVISIONS OF THE PRESENT AGREEMENT. ALL THE PROVISIONS OF THE PRESENT AGREEMENT. ALL THE PROVIDSIONS OF THIS AGREEMENT SHALL APPLY TO MATERIAL AND EQUIPMENT SUBJECT TO THE PREVIOUS AGREEMENT.

ARTICLE 13. CONSULTATIONS. THE PARTIES UNDERTAKE TO CONSULT AT THE REQUEST OF EITHER PARTY REGARDING THE IMPLEMENTATION OF THIS AGREEMENT AND THE DEVELOPMENT OF FURTHER COOPERATION IN THE FILED OF PEACEFUL USES OF NUCLEAR ENERGY AND RELATED MATTERS OF HEALTH, SAFETY AND PROTECTION OF THE INTERNATIONAL ENVIRONMENT.

ARTICLE 14 (FINAL PROVISIONS). 1. EACH OF THE PARTIES SHALL PROVIDE THE OTHER PARTY WITH WRITTEN NOTIFICATION THAT IT HAS COMPLIED WITH ITS APPLICABLE

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REQUIREMENTS FOR ENTRY INTO FORCE OF THIS AGREEMENT.
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THIS AGREEMENT SHALL ENTER INTO FORCE ON THE DATE ON
WHICH THE LATTER OF SUCH NOTIFICATION IS RECEIVED,
AND SHALL REMAIN IN FORCE FOR A PERIOD OF 20 YEARS.
THIS TERM MAY BE EXTENDED FOR SUCH ADDITIONAL PERIODS
AS MAY BE AGREED BETWEEN THE PARTIES IN ACCORDANCE
WITH THEIR APPLICABLE REQUIREMENTS. 2. NOTWITHSTANDING
THE SUSPENSION, TERMINATION OR EXPIRATION OF THIS
AGREEMENT OR ANY COOPERATION HEREUNDER FOR ANY REASON,
ARTICLES 5, 6, 7, 8 AND 9, SHALL CONTINUE IN EFFECT SO
LONG AS ANY MATERIAL OR EQUIPMENT SUBJECT TO THESE
ARTICLES REMAINS IN THE TERRITORY OF THE PARTY CONCERNED
OR UNDER ITS JURISDICTION OR CONTROL ANYWHERE, OR UNTIL
SUCH TIME AS THE AS THE PARTIES AGREE THAT SUCH MATERIAL OR
EQUIPMENT ARE NO LONGER USEABLE FOR ANY NUCLEAR
ACTIVITY RELEVANT FROM THE POINT OF VIEW OF SAFEGUARDS.
IN WITNESS WHEREOF, THE UNDERSIGNED, BEING DULY AUTHORIZED,
HAVE SIGNED THIS AGREEMENT. DONE AT WASHINGTON, THIS
(SPACE) DAY OF (SPACE), 19 (SPACE), IN
DUPLICATE, IN THE ENGLISH AND FARSI LANGUAGES, BOTH
EQUALLY AUTHENTIC. FOR THE GOVERNMENT OF THE UNITED
STATES OF AMERICA: ( ). FOR THEGOVERNMENT OF
IRAN: ( ).
ANNEX A AND THE TABLE SO FAR REMAIN UNCHANGED SO
ARE NOT REPEATED HERE.

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PROPOSED ACCOMPANYING NOTE
QUOTE. THE SECRETARY OF STATE PRESENTS HIS COMPLIMENTS
TO HIS EXCELLENCY, THE MABASSADOR OF IRAN, AND HAS THE
HONOR TO REFER TO THE PROPOSED AGREEMENT FOR COOPERA-
TION SIGNED TODAY BTWEEN THE GOVERNMENT OF THE UNITED
STATES AND THE IMPERIAL GOVERNMENT OF IRAN, CONCERNING
PEACEFUL USES OF NUCLEAR ENERGY ("AGREEMENT") OF
WHICH THIS EXCHANGE OF NOTES AHLL BE AN INTEGRAL
PART.

QUOTE. IN THE COURSE OF NEGOTIATIONS LEADING TO THE
AGREEMENT, UNDERSTANDINGS ON SEVERAL POINTS WERE
REACHED.
QUOTE. THE UNITED STATES FULLY UNDERSTANDS THAT IRAN
PLANS A VIGOROUS NATIONAL NUCLEAR POWER PROGRAM WHICH
WILL REQUIRE TIMELY DELIVERY OF NUCLEAR REACTORS AND AN ASSURED FUEL
SUPPLY FOR THESE REACTORS. RECOGNIZING
IRAN'S LEADERSHIP ROLE IN THE FIELD OF NON-PROLIFERATION,
THE UNITED STATES INTENDS TO IMPLEMENT THE AGREEMENT
IN A WAY THAT ASSURES THAT IRAN AS A MOST FAVORED
NATION ENJOYS, INTER ALIA, THE SAME BENEFITS AND OPHURTUNITIES
AND FREEDOM OF ACTION AS MAY BE AVAILABLE TO
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ANY OTHER STATE WITH WHICH THE UNITED STATES COOPER-
ATES.
QUOTE. IT IS THE POLICY OF THE UNITED STATES THAT
NUCLEAR EXPORT LICENSES BE ISSUED PROMPTLY. IN
PARTICULAR, THE UNITED STATES WISHES TO CONFIRM THE
READINESS OF ITS EXECUTIVE BRANCH AND NUCLEAR REGULATORY
COMMISSION TO PROCESS EXPEDITIOUSLY EXPORT LICENSE
APPLICATIONS MADE PURSUANT TO THE AGREEMENT UPON
THE SELECTION BY IRAN OF A U.S. VENDOR.
QUOTE. THE GOVERNMENT OF THE UNITED STATES WISHES TO
ASSURE THE GOVERNMENT OF IRAN THAT IT SHALL TAKE SUCH
ACTIONS AS MAY BE NECESSARY AND FEASIBLE TO ENSURE A
RELIABLE SUPPLY OF LOW-ENRICHED URANIUM TO THOSE NATIONS
AND GROUPS OF NATIONS WHICH MAY SEEK TO UTILIZE THE
BENEFITS OF NUCLEAR ENERGY FOR PEACEFUL PURPOSES, INCLUDING
THE GENERATION OF ELECTRICITY, AND WHICH ADHERE TO NON-
PROLIFERATION OBJECTIVES. IN THIS REGARD, THE UNITED
STATES NOTES THAT THE INCREASED U.S. ENRICHMENT CAPACITY
WHICH THE PRESIDENT HAS ORDERED TO BE DEVELOPED WILL
PERMIT THE UNITED STATES TO MEET NEW EXPORT DEMANDS.
ALSO, THE UNITED SHALL, INTER ALIA, EXPLORE WITH
OTHER CONCERNED GOVERNMENTS, INCLUDING THE GOVERNMENT

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OF IRAN, THOSE STEPS THAT MAY BE NECESSARY TO PROMOTE
INTERNATIONAL ARRANGEMENTS FOR THE PROVISION OF NUCLEAR
FUEL, INCLUDING THE CONCEPT OF AN INTERNATIONAL FUEL
AUTHORITY WHICH WOULD PERMIT ACCESS TO FUEL BY CON-
SUMERS WHO MEET ALL THEIR NON-PROLIFERATION
COMMITMENTS, SHOULD THEY ENCOUNTER DIFFICULTIES WITH
INDIVIDUAL SUPPLIERS IN SATISFYING LEGITIMATE NUCLEAR
FUEL NEEDS. SHOULD SUCH AN INTERNATIONAL AUTHORITY
BE ESTABLISHED, THE UNITED STATES WOULD SUPPORT
IRANIAN ACCESS THERETO.
QUOTE. THE UNITED STATES HAS ALSO NOTED WITH
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PLEASURE, IRAN'S DESIRE TO EXERCISE LEADERSHIP IN
FURTHERANCE OF THE OBJECTIVES OF THE TREATY ON
THE NON-PROLIFERATION OF NUCLEAR WEAPONS, TO WHICH
IRAN IS A PARTY, AND ITS INTENTION TO CONDUCT ITS
OVERALL FUEL CYCLE ACTIVITIES, PARTICULARLY THOSE
RELATING TO STORAGE, PROCESSING OR OTHER
DISPOSITION OF IRRADIATED SPENT FUEL UNDER CONDITIONS
WHICH DEMONSTRATE THAT SUCH ACTIVITIES ARE
IN ACCORDANCE WITH THE PROVISIONS OF THE TREATY. IN
THIS REGARD, THE UNITED STATES IS PLEASED THAT IRAN IS
WILLING TO PARTICIPATE WITH OTHER CONCERNED COUNTRIES
IN INTERNATIONAL FUEL CYCLE STUDIES, SUCH AS THE
INTERNATIONAL FUEL CYCLE EVALUATION, WHICH HAVE, AS
ONE OF THEIR OBJECTIVES, THE EXPLORATION OF
EFFECTIVE AND ECONOMICAL WAYS TO DISPOSE OF IRRADIATED
FUEL THAT MIGHT BETTER MEET THE NON-PROLIFERATION
OBJECTIVES OF THE TREATY.
QUOTE. THE UNITED STATES NOTES THAT IRAN PLANS
TO CONSULT CLOSELY WITH THE UNITED STATES AT SUCH TIME
AS IT APPEARS THAT ANY SPECIAL NUCLEAR MATERIAL OR
IRRADIATED FUEL OBTAINED UNDER THE AGREEMENT REQUIRES
SUBSEQUENT DISPOSITION. THE SPECIFIC ARRANGEMENTS
THAT WOULD BE SELECTED WOULD TAKE INTO ACCOUNT
THE REQUIREMENTS OF IRAN'S NUCLEAR PROGRAM AND IRAN'S
CONTINUED ADHERENCE TO THE NON-PROLIFERATION TREATY,
AS WELL AS MUTUALLY ACCEPTABLE RECOMMENDATIONS THAT
MAY RESULT FROM INTERNATIONAL STUDIES UNDERTAKEN TO
FURTHER THE OBJECTIVES OF THE TREATY.

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FM AMEMBASSY TEHRAN
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QUOTE. IN LIGHT OF THESE CONSIDERATIONS, THE GOVERNMENT
OF THE UNITED STATES IS PLEASED TO INFORM THE GOVERN-
MENT OF IRAN THAT IN THE EVENT IRAN WISHES TO ENTER
INTO ARRANGEMENTS FOR DISPOSITION OF IRRADIATED SPECIAL
NUCLEAR MATERIAL RESULTING FROM MATERIAL WHICH HAS BEEN
TRANSFERRED FROM THE UNITED STATES TO IRAN OR HAS BEEN
USED IN U.S.-SUPPLIED EQUIPMENT, THE UNITED STATES
AGREES TO APPROVE AND IRAN WOULD BE FREE TO CHOOSE FROM
THE FOLLOWING ALTERNATIVES.

A. STORAGE OF SPENT FUEL IN IRAN;

B. STORAGE OF SPENT FUEL IN THE U.S. FOR A FIXED FEE WITH
REIMBURSEMENT TO IRAN OF NET FUEL VALUE (FUEL EQUIVALENT OR
FINANCIAL COMPENSATION LESS PROCESSING COSTS, AT IRAN'S
OPTION);

C. STORAGE, PROCESSING OR OTHER DISPOSITION OF SPENT FUEL IN
ACCORDANCE WITH INTERNATIONALLY ACCEPTED ARRANGEMENTS TO WHICH
BOTH IRAN AND THE U.S. SUBSCRIBE. THIS ALTERNATIVE
WOULD INCLUDE THE PRECESSING OF SPENT FUEL IN THE UNITED KINGDOM
OR FRANCE, OR ANOTHER MUTUALLY AGREED STATE AND RETURN OF RECOVERED
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PLUTONIUM IN THE FORM OF FABRICATED FUEL TO IRAN, UNDER
ARRANGEMENTS WHICH ARE DEEMED TO BE MORE PROLIFERATION RESISTANT
THAN THOSE WHICH CURRENTLY EXIST UTILIZING EXISTING TECHNOLOGY
AND TO WHICH BOTH IRAN AND THE UNITED STATES SUBSCRIBE.

QUOTE. WITH RESPECT TO THE FOREGOING, THE GOVERNMENT
OF THE UNITED STATES RECOGNIZES THAT AT THE TIME WHEN IRAN
MAY WISH TO ENTER INTO ARRANGEMENTS FOR DISPOSITION OF SPENT

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FUEL, CONDITIONS COULD BE SUCH THAT NO INTERNATIONALLY ACCEPTED ARRANGEMENTS FOR STORAGE, PROCESSING OR OTHER DISPOSITION TO WHICH BOTH IRAN AND THE UNITED STATES SUBSCRIBE MAY BE AVAILABLE. FURTHERMORE, AT THAT POINT IN TIME, CONDITIONS COULD BE SUCH THAT THE PARTIES ALSO FIND IT IMPRACTICABLE OR UNECONOMICAL TO PROVIDE LONG-TERM STORAGE OF SUCH SPENT FUEL IN IRAN OR THE UNITED STATES. UNDER THESE CIRCUMSTANCES, THE GOVERNMENT OF THE UNITED STATES WOULD APPROVE THE REPROCESSING OF SUCH MATERIAL IN THE UNITED KINGDOM OR FRANCE OR ANOTHER MUTUALLY AGREED STATE UTILIZING EXISTING TECHNOLOGY, AND THE RETURN OF RECOVERED PLUTONIUM IN THE FORM OF FABRICATED FUEL TO IRAN.

QUOTE. WITH SPECIFIC REFERENCE TO IRANIAN PLUTONIUM REQUIREMENTS FOR ADVANCED REACTOR FUELS AS CONTEMPLATED BY PARAGRAPH 3 OF ARTICLE 4 OF THE AGREEMENT, THE GOVERNMENT OF THE UNITED STATES IS PREPARED TO CONSULT WITH THE GOVERNMENT OF IRAN IN ORDER TO MEET IRAN'S NEEDS.

QUOTE. NOTWITHSTANDING THE PREVIOUS PARAGRAPHS, IF BY THE TIME WHEN THE NEED ARISES FOR IRAN TO ARRANGE FOR DISPOSITION OF ITS SPENT FUEL THE UNITED STATES HAS APPROVED THE REPROCESSING OF ANY OTHER COOPERATING STATE'S SPENT FUEL THE UNITED STATES WOULD APPROVE REPROCESSING OF IRANIAN SPENT FUEL IN THE UNITED KINGDOM OR FRANCE, OR ANOTHER MUTUALLY AGREED STATE
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UNDER ARRANGEMENTS WHICH AFFORD IRAN BENEFITS COMPARABLE TO THOSE AFFORDED SUCH OTHER STATE AND UNDER TERMS AND CONDITIONS NO LESS FAVORABLE THAN THOSE APPLICABLE TO SUCH OTHER STATE.

QUOTE. THE PARTIES SHALL, IN 1985, REVIEW THE UNDERSTANDINGS SET FORTH ABOVE CONCERNING THEDISPOSITION OF PLUTONIUM AND IRRADIATED SPECIAL NUCLEAR MATERIAL WITH A VIEW TO MAKING ANY MUTUALLY AGREEABLE MODIFICATIONS.

QUOTE. THE GOVERNMENT OF THE UNITED STATES CONFIRMS THAT NOTHING IN THE AGREEMENT WOULD PRECLUDE IRAN FROM RECEIVING ANY POTENTIAL BENEFITS UNDER ARTICLE V OF THE TREATY ON THE NON-PROLIFERATION OF NUCLEAR WEAPONS, OTHER APPLICABLE INTERNATIONAL AGREEMENTS, AND THE DOMESTIC LAWS AND REGULATORY REQUIREMENTS OF THE RESPECTIVE PARTIES.

QUOTE. UPON RECEIPT OF HIS EXCELLENCY' S NOTE CONFIRMING THAT THE IMPERIAL GOVERNMENT OF IRAN SHARES THE ABOVE UNDER-STANDINGS, THE EXCHANGE OF NOTES SHALL CONSTITUTE THE FORMAL RECORD OF THESE MUTUAL UNDERSTANDINGS AND SHALL BE AN INTEGRAL PART OF THE AGREEMENT. UNQUOTE. END TEXT.
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Message Attributes

Automatic Decaptioning: X
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Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NUCLEAR AGREEMENTS, TEXT, NUCLEAR FUELS
Control Number: n/a
Copy: SINGLE
Draft Date: 18 jan 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978TEHRAN00620
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780026-0682
Format: TEL
From: TEHRAN
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Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
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Retention: 0
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Status: NATIVE
Subject: NUCLEAR COOPERATION AGREEMENT
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Type: TE
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Review Markings:
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Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014